

LIBRARY
SUPREME COURT, U. S.

Office - Supreme Court, U. S.
FILED

FEB 26 1949

IN THE
Supreme Court of the United States

October Term, 1948-1949

No. ~~44~~ 19

TODD C. FAULKNER,

Petitioner,

vs.

JOHN T. GIBBS,

Respondent.

**RESPONDENT'S BRIEF OPPOSING PETITION
FOR WRIT OF CERTIORARI**

HERBERT A. HUBNER,

610 South Broadway, Los Angeles 14, California,

Attorney for Respondent.

SUBJECT INDEX

PAGE

Statement of the case 1

Summary of the argument 5

Argument 6

I.

A review on writ of certiorari is not a matter of right 6

II.

The decision of the Court of Appeals for the Ninth Circuit in the instant case is not in conflict with this court's decisions in the General Electric and Halliburton cases (*infra*), or other applicable decisions of this court 7

III.

The decision of the Court of Appeals affirming the decision of the District Court holding claims 9 and 10 infringed notwithstanding that claims 6, 7 and 8 were held not infringed by the "altered" Fawn game is not so inconsistent on its face as to constitute such a departure from the accepted and usual course of judicial proceedings as to call for the exercise of this court's power of supervision 13

IV.

The Court of Appeals re-examined the findings of the District Court in the light of the evidence and accepted them. "It must be a strong case in which this court will set aside" such concurrent findings of two courts 15

V.

There are no issues of great moment to the public in this case 15

Conclusion 17

TABLE OF AUTHORITIES CITED

CASES	PAGE
General Electric Co. v. Wabash Appliance Corp., 304 U. S. 364, 58 S. Ct. 899, 82 L. Ed. 1402	5, 7, 10
Gibbs v. T. Z. de Amusement Corp., 14 Fed. Supp. 957	3, 17
Goodyear Tire & Rubber Company, Inc., et al. v. Ray-O-Vac Company, 321 U. S. 275, 64 S. Ct. 593, 88 L. Ed. 721	15
Halliburton Oil Well Cementing Co. v. Walker, 329 U. S. 1, 91 L. Ed. 3, 67 S. Ct. 6	5, 8, 10
Markay Radio & Telegraph Co. v. Radio Corp. of America, 306 U. S. 86, 59 S. Ct. 427, 83 L. Ed. 506	17
Murrie Gear Works v. Outboard M. & Mfg. Co., 315 U. S. 759, 62 S. Ct. 865, 86 L. Ed. 1171	16
Precision Instr. Mfg. Co. v. Automotive M. Mach., 324 U. S. 806, 89 L. Ed. 1381, 65 S. Ct. 993, rehear'g den'd, 325 U. S. 893, 65 S. Ct. 1189, 89 L. Ed. 2005	15
United Carbon Co. v. Binney & Smith Co., 317 U. S. 228, 63 S. Ct. 166, 87 L. Ed. 232	16
Universal Oil Products Company v. Globe Oil & Refining Com- pany, 322 U. S. 471, 88 L. Ed. 1399, 64 S. Ct. 1110	15
Williams Mfg. Co. v. United Shoe Machinery Corporation, 316 U. S. 364, 86 L. Ed. 1537, 62 S. Ct. 1179	15

RULES

Rules of the United States Supreme Court, Rule 35, Sec. 5	6
Rules of the United States Supreme Court, Rule 35, Sec. 5(h)	6

IN THE
Supreme Court of the United States

October Term, 1948.

No. 537

TODD C. FAULKNER,

Petitioner,

vs.

JOHN T. GIBBS,

Respondent.

**RESPONDENT'S BRIEF OPPOSING PETITION
FOR WRIT OF CERTIORARI.**

Statement of the Case.

Respondent wishes to correct and amplify Petitioner's "Summary Statement of the Matter Involved" in some respects considered pertinent. No correction or comment will be made as to matters which do not bear on the merits of the Petition.

Petitioner's brief reference on page 3 of his Petition to the nature of the Gibbs patent game is inadequate, and enables Petitioner to more readily attribute the Gibbs game to prior art.

The Gibbs game comprises a game board with holes arranged in a pattern similar to the pattern of electric

lights on an annunciator panel, a single ball for the player to throw or roll over the board and which, when dropping through any hole, will actuate an electric switch, falling past it and returning to the player for a successive roll, electrical circuits whereby an electric light is energized corresponding to the switch which is closed, and means to maintain the circuit closed. This can be a relay or an overbalanced switch or a switch of a releasable spring clamping type. The circuits are grouped so that when a line of lights is energized a win circuit is established, a signal results, and the winner or winners of a plurality of these game units, which are electrically interconnected, remain lighted after the non-winners are de-energized.

Petitioner represents in his Petition, page 2, that of the two Fawn games held to infringe, while the "original" Fawn game was competitive, the modified or "altered" Fawn game was non-competitive. In the latter the Petitioner is in error. Both infringing Fawn games are competitive games.

In both Fawn games the physical elements of playing board, annunciator light panel, playing balls, and arrangement are identical. The electrical circuits remain the same with these exceptions which are immaterial: in "altering" the game certain light bulbs were unscrewed from their sockets, one wire connection was shifted, and an electric time switch was added as an accessory. The method of play was the same as before: each player sat before his unit, playing board and rolled a ball into the holes, endeavoring by repeated rolling of the ball to light

up five lights in a row and thereby become a winner. All the time switch ~~del~~ (present in the altered game) was to limit the period in which a game could be played. That was purely an addition to, not an omission from, the primary claimed features of the Gibbs patent.

The Gibbs patent in suit is for a game apparatus combination resulting in a new game which achieved popularity. The patent utilizes old elements such as playing boards with holes therein, annunciator panels with electric lights, electrical switches, relays and circuits in a manner found by the Patent Office and by the Courts below to involve a new and patentable combination. There is no single element which may be described as the "exact point of novelty."

The Gibbs patent claims in suit were not narrowed during prosecution in the Patent Office, and no file wrapper estoppel can be invoked to restrict them [file wrapper offered in evidence, R. 176-177; Defendant's Exhibit C; treated as a physical exhibit not reproduced in the Book of Exhibits].

There is no conflict of decisions between courts of appeal involving the Gibbs patent in suit. The patent has been sustained as valid and infringed in the only two jurisdictions where it has been contested, namely, the Eastern District of New York, *Gibbs v. T. Z. R. Amusement Corporation*, 14 Fed. Supp. 957 (1936) (no appeal being reported), and in the Southern District of California and the appeal from that Court to the Court of Ap-

peals for the Ninth Circuit which is the instant case, the opinion of the Court of Appeals appearing in Volume III of the Record, page 538, and being reported at 170 F. 2d 34, 79 U. S. P. Q. 158.

In addition to the contested cases, Respondent Gibbs succeeded in obtaining six Consent Judgments acknowledging the patent to be valid and infringed in the United States District Courts in the States of California, Connecticut and New York [R. 34-35, 61-62, 70-71; Plaintiff's Exhibits No. 4 and No. 5 offered in evidence, R. 62, appear in Book of Exhibits, pp. 355 and 358]. The two Consent Judgments in California were entered *prior* to the trial of the instant case.

In one of the cases in which judgment was entered by consent, namely, *Gibbs v. Hicks, et al.*, Mr. Harold W. Mattingly appeared as attorney for the defendants [Book of Exhibits 359]. He thereafter testified *as the expert witness* for the defendant Faulkner, Petitioner here, in the trial before the District Court [R. 159, 176 (180), 238]. If the length of his testimony is the correct index, he was the chief defense witness. He now appears as attorney for the Petitioner in this Court and is therefore in the position of arguing to this Court as an advocate that his opinion as a witness should prevail.

Argumentative comments in Petitioner's statement to the extent deemed pertinent will be considered in our argument.

Summary of the Argument.

I. A review on Writ of Certiorari is not a matter of right.

II. The decision of the Court of Appeals for the Ninth Circuit in the instant case is not in conflict with this Court's decisions in the *General Electric* and *Halliburton* cases (*infra*) or other applicable decisions of this Court.

III. The decision of the Court of Appeals affirming the decision of the District Court holding claims 9 and 10 infringed notwithstanding that claims 6, 7 and 8 were held not infringed by the "altered" Fawn game is not so inconsistent on its face as to constitute such a departure from the accepted and usual course of judicial proceedings as to call for the exercise of this Court's power of supervision.

IV. The Court of Appeals re-examined the findings of the District Court in the light of the evidence and accepted them. "It must be a strong case in which this court will set aside" such concurrent findings of two courts.

V. There are no issues of great moment to the public in this case.

ARGUMENT.

I.

A Review on Writ of Certiorari Is Not a Matter of Right.

"A review on writ of certiorari is not a matter of right, but of sound judicial discretion, and will be granted only where there are special and important reasons therefor."

Rule 35, Section 5, Rules of the Supreme Court of the U. S.

In Section 5(b) indicating the character or reasons which will be considered, two of the reasons set forth are:

"Where a circuit court of appeals * * * has decided a federal question in a way probably in conflict with applicable decisions of this court; or has so far departed from the accepted and usual course of judicial proceedings, or so far sanctioned such a departure by a lower court, as to call for an exercise of this court's power of supervision."

These are the only two reasons provided by the rule attempted to be invoked by the petitioner, who endeavors to reinforce his case for a writ of certiorari by arguing that issues of great moment to the public are involved and that further litigation involving the patent in suit which might result in conflict between courts of appeal is improbable.

MATTHEW

II.

The Decision of the Court of Appeals for the Ninth Circuit in the Instant Case Is Not in Conflict With This Court's Decisions in the General Electric and Halliburton Cases (infra), or Other Applicable Decisions of This Court.

The claim selected as typical by this Court in *General Electric Co. v. Washburn Appliance Corp.*, 304 U. S. 364, 58 S. Ct. 899, 82 L. Ed. 1402, was Claim 25 in Patent No. 1,410,499 relating to tungsten filaments for incandescent lamps. The claim read as follows:

"25. A filament for electric incandescent lamps or other devices, composed substantially of tungsten and made up mainly of a number of comparatively large grains of such size and contour as to prevent substantial sagging and offsetting during a normal or commercially useful life for such a lamp or other device."

This Court condemned such a claim as "invalid on its face" (p. 368). The Court further pointed out that in a limited field the variant must be clearly defined, and that the patent involved was one in a series of patents all dealing with filaments, and that the claim uses indeterminate adjectives which describe the function of the grains to the exclusion of any structural definition.

This Court recognized (p. 371) that

"A limited use of terms of effect or result, which accurately define the essential qualities of a product to one skilled in the art, may in some instances be permissible and even desirable, * * *."

It is obvious that the claim was not for a combination of elements but directed solely to a filament for electric incandescent lamps and made of tungsten. The "exact point of novelty," if any, presumably would have resided in the specific details of the granular construction of the tungsten wire, which details were lacking.

In *Halliburton Oil Well Cementing Co. v. Walker*, 329 U. S. 1, 91 L. Ed. 3, 67 S. Ct. 6, the claims involved were combination claims covering an apparatus composed of old and well-known devices to measure the time required for pressure waves to move to and back from the fluid surface of an oil well to which Walker added a well-known device which would make the regularly appearing shoulder echo waves more prominent on the graph and easier to count. The device added was a mechanical acoustical resonator.

Claim 1 of the patent, accepted as a typical example, read as follows:

"In an apparatus for determining the location of and obstruction in a well having therein a string of assembled tubing sections interconnected with each other by coupling collars, means communicating with said well for creating a pressure impulse in said well, echo receiving means including a pressure responsive device exposed to said well for receiving pressure impulses from the well and for measuring the lapse of time between the creation of the impulse and the arrival at said receiving means of the echo from said obstruction, and means associated with said pressure responsive device for tuning said receiving means to the frequency of echoes from the tubing collars of said tubing sections to clearly distinguish the echoes from said couplings from each other."

As this Court pointed out (p. 8):

"But no one of the claims on which this judgment rests has even suggested the physical structure of the acoustical resonator. No one of these claims describes the physical relation of the Walker addition to the old Lehr and Wyatt machine. No one of these claims describes the manner in which the Walker addition will operate together with the old Lehr and Wyatt machine so as to make the 'new' unitary apparatus perform its designed function."

The Court continued,

"The language of the claim thus describes this most crucial element [the acoustical resonator] in the 'new' combination in terms of what it will do rather than in terms of its own physical characteristics or its arrangement in the new combination apparatus."

Claim 3 of the Gibbs Patent No. 1,906,260 in suit reads as follows:

"A game apparatus comprising a board having a plurality of contact devices thereon adapted to be engaged by an object moved over the board by a player, a plurality of indicators, means for electrically connecting said indicators with a source of electric current and with said contact devices, said indicators and said contact devices corresponding in number and arrangement and subdivided into corresponding groups, means for energizing said indicators as the associated contact devices are operated, an electrical circuit common to all of said groups and open until all of the indicators in one of said groups have been energized, and supplementary means for indicating a winning play when all of the indicators in one of said groups have been energized."

Petitioner is in error in urging that the "means for energizing said indicators" defines the only novelty in the claim. The Petitioner seizes upon that clause in the claim because it is the only phrascology in the claim upon which he can attempt to apply the *General Electric* and *Halliburton* cases.

Obviously, Gibbs Claim 3 is not a "single means" claim of the character condemned in the *General Electric* case. That leaves the *Halliburton* case as the only decision of this Court cited by Petitioner from which he can attempt to draw an analogy. But the claims in the *Halliburton* and the instant case are not parallel. Gibbs Claim 3, after introducing the subject as a game apparatus, recites eight inter-related elements:

- (1) a board,
- (2) a plurality of contact devices,
- (3) an object,
- (4) a plurality of indicators,
- (5) means for electrically connecting,
- (6) means for energizing said indicators,
- (7) an electrical circuit common, etc.,
- (8) supplementary means for indicating, etc.

and describes them and their arrangement and mutuality with sufficient particularity to portray the apparatus to anyone skilled in the art.

Petitioner insists that Gibbs Claim 3 is basically the old game of Nakashima [prior art patent offered, R. 179, reproduced in Book of Exhibits 373] or Hayashi [prior art patent offered, R. 179, reproduced in Book of Exhibits 383], but he does not find a counterpart in the prior art for what he identifies as the only novel feature, namely,

"means for energizing," and he likewise fails to find a counterpart in the prior art for Gibbs' combination.

All that Nakashima discloses for the purpose of this case is a game which involves rolling balls into one or more pockets, and a visible signal or signals in an annunciator. The Nakashima amusement device is a single unit in which a player has *three* balls to roll. When a ball enters a pocket it lodges there, is not returnable to the player, and may or may not encounter a switch in a live circuit. The ball must remain in the pocket to hold the switch closed, and if the player rolls the three balls and none of them happen to enter a live circuit pocket, no lights are illuminated.

In the Gibbs game a single ball (an object moved over the board by a player as described in Claim 3) is used which, having entered a hole and having actuated an electric switch, returns to the player for a re-play.

This is referred to in the claim by the language, "a board having a plurality of contact devices thereon adapted to be engaged by an object moved over the board by a player." Thus the claim in its very inception distinguishes and departs from the principal construction and function of the Nakashima prior art patent.

Claim 3 further specifies that the indicators and the contact devices *correspond* in number and arrangement and are subdivided into *corresponding groups*. This phase of Claim 3 also precedes the "means for energizing" clause. Nakashima, upon which Petitioner so heavily relies, does not have that feature. The location of the switches for live circuits in Nakashima has no relation to the location of the lights on the panel at the end of the game board. Nakashima's whole game object is merely to roll three balls into three live switch pockets, respec-

tively, avoiding having the balls enter dead pockets, and light up *any three* lights on the back board. Nakashima completely fails to anticipate that portion of Gibbs Claim 3 preceding the clause "means for energizing" where, says the Petitioner, erroneously, the novelty lies.

Petitioner's second best reference is Hayashi. That patent discloses what is called a "Japanese Peanut Ping Pong Game" in which the playing board is inclined downwardly away from the player instead of upwardly from, as in Gibbs, so that the objects played with are not returnable to the player. He is provided with three objects in the form of peanuts which are weighted so that, as the patentee says, instead of rolling in a direct path they will zigzag not only down the board but also partly across the same. When the three peanuts, or whatever number may be allotted to the player, have been projected the game is over and the player is credited by adding up the values attributed to the particular lights which have been illuminated. The weighted peanuts have to remain in the pockets in order to keep the lights lighted. Hayashi is therefore more remote from the Gibbs claim than is Nakashima.

The same considerations discussed in reference to Claim 3 apply in general and without any necessary distinctions to the other claims in suit.

Gibbs "means for energizing" may utilize a relay switch or a mechanically operated switch, and far from being the "exact point of novelty" is only one of the several elements recited, all of which are necessary to a unitary game apparatus.

The Court of Appeals therefore properly found a patentable combination to be present and suitably defined.

III.

6. The Decision of the Court of Appeals Affirming the Decision of the District Court Holding Claims 9 and 10 Infringed Notwithstanding That Claims 6, 7 and 8 Were Held Not Infringed by the "Altered" Fawn Game Is Not So Inconsistent on Its Face as to Constitute Such a Departure From the Accepted and Usual Course of Judicial Proceedings as to Call for the Exercise of This Court's Power of Supervision.

On the contrary, the holding of claims 9 and 10 to be infringed was correct and is supported by the evidence. Only claims 6 and 9 need be discussed in this connection, as claims 7 and 8 are dependent upon claim 6 and claim 10 is dependent upon claim 9.

Claim 9 has some of the principal elements of claim 6 in that it defines a plurality of electrically connected units (of the order of claim 3), but is **broad**er than claim 6 in the final element, "means *controlled by* [emphasis added] the closing of the signal circuit of the winning unit for discontinuing the signals and opening the circuits of the indicators on all other units."

Thus: referring back to claim 6, the transfer circuit functions by *reason of* or *by action of* the completion of a win circuit, and is constituted to perform *two* functions: i. e. (1) to deenergize the non-winners, and (2) to maintain the win unit energized. In claim 9, the same general circuit is described more broadly, and functions not by reason of or by action of the completion of a win circuit, but is *merely controlled by* a win circuit, and need be constituted to perform only *one* function, i. e., to control or condition the opening of the non-winner circuits. The same meaning as "controlled by" would be properly ex-

pressed as *conditioned by*. It controls to the extent of severing the circuits and thus conditioning the win circuit to remain energized, the others to be deenergized when the time switch is thrown.

Thus, claim 9 is infringed not only by the old Fawn game, which it obviously comprehends in view of the discussion of claim 6, but is also infringed by the "^ealtered" Fawn game.

In this "altered" Fawn game, the circuit which opens the non-winner circuits is *prepared or conditioned by*, and consequently *controlled by*, the win circuit or circuits. The time switch, which is merely an accessory, may delay the action, but when a pre-determined time elapses, the cut-off circuit functions under the control of the win circuit or circuits. Claim 9 is thus clearly infringed by the "altered" Fawn game.

Claim 10 adds to claim 9 the audible signal, present in both Fawn games, and thus is infringed by both.

The point raised by the petitioner discussed here, even if he were correct, would not affect the judgment of the District Court and of the Court of Appeals, since claim 3 is not involved in the point, and the judgment would stand on the basis of claim 3 being valid and infringed by both forms of petitioner's games.

IV.

The Court of Appeals Re-examined the Findings of the District Court in the Light of the Evidence and Accepted Them. "It Must Be a Strong Case in Which This Court Will Set Aside". Such Concurrent Findings of Two Courts.

Goodyear Tire & Rubber Company, Inc., et al. v. Ray-O-Vac Company, 321 U. S. 275, 64 S. Ct. 593, 88 L. Ed. 721, citing:

Williams Mfg. Co. v. United Shoe Machinery Corporation, 316 U. S. 364, 367, 86 L. Ed. 1537, 62 S. Ct. 1179.

Cited with approval in:

Universal Oil Products Company v. Globe Oil & Refining Company, 322 U. S. 471, 88 L. Ed. 1399, 64 S. Ct. 1110.

V.

There Are No Issues of Great Moment to the Public in This Case.

An ordinary patent case is not entertained by this Court in the absence of conflict between courts of appeals.

Petitioner's reference [petition and brief, pp. 19 and 20] to quotations concerning public interest in patent rights does not alter the rule. In all of the cases cited extraordinary circumstances were present.

Thus, *Precision Instr. Mfg. Co. v. Automotive M. Mach.*, 324 U. S. 806, 89 L. Ed. 1381, 65 S. Ct. 993 (re-hearing denied), 325 U. S. 893, 65 S. Ct. 1189, 89 L. Ed. 2005, dealt with a serious case of fraud, deceit and perjury in connection with patents.

In *United Carbon Co. v. Binney & Smith Co.*, 317 U. S. 228, 233, 63 S. Ct. 165, 87 L. Ed. 232, the patent in suit related to carbon black (a product of obvious public importance). The District Court had found the claims invalid and the Circuit Court of Appeals reversed, whereupon the importance of the questions in the case prompted this Court to grant certiorari. The most extensive of many uses for carbon black at the time of the decision, 1942, was as a binder in automobile tires. It was also used as an ingredient in various rubber, wax and resin compositions, phonograph records, paints and lacquers, printers' ink, and carbon paper, facts pointed out in the opinion of this Court. The claims held by this Court bad for indefiniteness read as follows (317 U. S. 231):

"1. Substantially [sic] pure carbon black in the form of commercially uniform, comparatively small, rounded, smooth aggregates having a spongy or porous interior.

"2. As an article of manufacture, a pellet of approximately one-sixteenth of an inch in diameter and formed of a porous mass of substantially pure carbon black."

The claims of respondent Gibbs are clearly not subject to the same criticism.

In *Muncie Gear Works v. Outboard M. & Mfg. Co.*, 315 U. S. 759, 62 S. Ct. 865, 86 L. Ed. 1171, this Court granted certiorari in view of certain serious questions presented,

"and because the patent dominates a substantial portion of an industry [outboard motors] so concentrated in the Seventh Circuit that litigation in other circuits, resulting in a conflict of decisions, is unlikely." (p. 766.)

In *Mackay Radio & Telegraph Co. v. Radio Corp. of America*, 306 U. S. 86, 59 S. Ct. 427, 83 L. Ed. 506, the subject of the patent in suit related to radio communication and this Court granted certiorari

"because of the nature and importance of the case, on a petition which urged as grounds for its allowance that validity and infringement of the Carter patent were in doubt and that, as petitioner is the only competitor of the respondent in the business of world wide public radio communication, further litigation, resulting in conflict of decision among circuits, was improbable." (p. 89.)

Conclusion.

The Gibbs patent, granted May 2, 1933, will expire in slightly more than a year. Its validity was questioned once in 1936 by the defendants in *Gibbs v. T. Z. R. Amusement Corporation*, *supra*, and once in 1946-47 by the petitioner Faulkner. In both cases the courts found the patent valid. Meanwhile it enjoyed commercial success and provided diversion for the people who patronized its game, but it has no nation-wide or world-wide significance.

There is no evidence of intimidation by respondent, and the petitioner's point in that respect on page 19 of his

petition and brief is without foundation. There may be no further litigation which might result in conflicts between courts of appeals but there *has been opportunity* for several contests in different circuits, and concurrent decisions have resulted in New York and California.

There is no localization of the industry represented by the Gibbs patent and unless and until some infringer, not now shown to exist, should succeed in the brief space left before the patent expires in securing a decision in another court of appeals holding the patent invalid, and thus creating a conflict, this Court should not be burdened by a review of the case.

Respectfully submitted,

HERBERT A. HUEBNER,

Attorney for Respondent.

Los Angeles, California, February 23, 1949.